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THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1332.
FILED, JULY 29th. 1965.

MacDONALD MINES LIMITED (No Personal Liability)
Full corporate name of Company

Letters Patent, Quebec, 1936

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous Filing Statement No. 1115, and Amending Filing Statement No. 222.
(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Change in Management.		
2. Head office address and any other office address.	(a) c/o Shapiro, Robinson, Sheppard & Drymer, 612 Place Victoria, 800 Victoria Square, MONTREAL - Quebec. (b) 32 Front Street West, TORONTO 1 - Ontario.		
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	The former officers and directors of the Company were as follows:		
	President and Director	Dr. Carlton Street 1228 Lehigh W. Philadelphia 33, Pa.	Surgeon
	Vice-President and Director	Philip M. Malouf 538 Laird Blvd. Town of Mt. Royal, Que.	Engineer
	Secretary-Treas. and Director	Mrs. M. Sheehan 5512 Coolbrook Ave. Montreal, Que.	Sec. -Treasurer
	Asst. Sec. -Treas. and Director	Kenneth J. Forbes 1980 Sherbrooke West Montreal, Que.	Business Executive
	Director	J.H. Soden 37 Remsen Street Cohoes, N. Y.	Real Estate & Insurance Broker
	Director	J. Austin Murphy, Q.C. Room 914, 1155 Dorchester Blvd. W. Montreal, Que.	Solicitor
	Director	John Campbell 270 Main St. W. Grimsby, Ontario	Retired
	At the Annual Meeting of Shareholders held on the 8th day of July, 1965, the seven persons above-named were replaced by the following officers and directors:		
	President and Director	Norman Gallen 1876 E. 24th St. Brooklyn, N. Y.	Executive
	Vice-President and Director	John J. Gussak 18 Battery Place New York, N. Y.	Attorney at Law
	Secretary-Treas. and Director	Gilbert Gallen 40 Stormont Ave. Toronto, Ont.	Executive
	Director	Theodore Gussak 67 - 46 Ingram St. Forest Hills, N. Y.	Certified Public Accountant
	Director	Marvin Ross 78 Overbank Cr. Don Mills, Ont.	Chartered Accountant
	Director	Jonathan Robinson 612 Place Victoria Montreal, Que.	Solicitor
	Director	John A. Aysies 717 Humphrey St. Swampscott, Mass.	Realtor

4. Share capitalization showing authorized and issued and outstanding capital.	Massachusetts - Realtor. Authorized - 5,000,000 common shares. Issued - 4,812,921 common Shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	NIL
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	NIL
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	NIL
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	NIL
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company proposes conducting geophysical and geological surveying and mapping and further diamond drilling on its properties in Dufresnoy Township, Province of Quebec, and Loveland Township, Province of Ontario, and on properties owned or controlled by Tromac Mines Limited optioned to MacDonald Mines Limited pursuant to agreement dated the 16th day of July, 1964, in accordance with the recommendations of its geologist and engineer.</p> <p>Other than as stated above, none of the existing funds of the Company will be used for any other purposes than general administration.</p> <p>It is not contemplated that the Company will issue any Treasury shares at the present time other than pursuant to an option to be entered into with one of its employees.</p>
10. Brief statement of company's chief development work during past year.	Drilling work on the properties of the Company referred to in paragraph 9 above.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	NIL
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	NIL
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	NIL
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	NIL
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>JOHN J. GUSSAK, 18 Battery Place, New York, N.Y. 156,000 NORMAN GALLAN, 1876 East 24th St., Brooklyn, N.Y. 150,000 GILBERT GALLAN, 40 Stormont Ave., Toronto, Ont. 90,000 DR. CARLTON STREET, 1228 West Lehigh Ave., Philadelphia, Pennsylvania- 74,000 G. E. LESLIE & CO. LTD., Montreal, Quebec - (Beneficial owners not known) - 70,000</p>

August 18, 1965.

To the Directors,
MacDonald Mines Limited,
(no personal liability)

We have prepared the Balance Sheet of MacDonald Mines Limited (no personal liability) as at June 30, 1965, the related Statement of Development and Other Expenses and the Statement of Source and Application of Funds for the period then ended. We have not completed our review of the Company's accounting records and accordingly are not in a position to express an opinion on the financial statements. Our audit program, when completed, should enable us to express an opinion respecting the annual financial statements to be prepared as at December 31, 1965.

Horwath & Horwath, H.C. Smith & Co.

Chartered Accountants

FINANCIAL STATEMENTS

BALANCE SHEET AS AT JUNE 30, 1965

ASSETS

CURRENT ASSETS

Cash	\$ 4,117.97
Prepaid expenses and deposits	1,488.00
Term deposit and accrued interest	<u>137,800.66</u>
	143,406.63

INVESTMENTS IN AND ADVANCES TO NON PRODUCING MINING COMPANIES (note A)

Shares	\$ 27,659.50
Advances	<u>47,947.12</u>
	75,606.62

MINING PROPERTIES (at cost)(note B)

15,982.01

DEFERRED COSTS

Development and other expenditures	540,448.42
Office equipment	<u>5,931.25</u>
	546,379.67

\$781,374.93

LIABILITIES

ACCOUNTS PAYABLE

5,627.37

SHAREHOLDERS' EQUITY

CAPITAL STOCK

Authorized - 5,000,000 shares, par value \$1	
per share (note C)	
Issued - 4,782,921 shares	4,782,921.00
Less: Discount on shares	<u>2,861,329.75</u>
	1,921,591.25
Deficit (no change since December 31, 1964)	<u>1,145,843.69</u>
	775,747.56

\$781,374.93

See Notes to Financial Statements on Exhibit D

Approved on behalf of the Board of Directors

Marvin Ross Director
W. J. Allen Director

To be read with our report dated August 18, 1965

Horwath & Horwath, H.C. Smith & Co.

August 18, 1965.

Chartered Accountants

STATEMENT OF DEVELOPMENT AND OTHER EXPENDITURES

FOR THE SIX MONTHS ENDED JUNE 30, 1965
(Unaudited)

	Total to Dec. 31, 1964	Expenditures For the Period	Total to June 30, 1965
EXPLORATION AND DEVELOPMENT			
Diamond drilling	\$135,247.51	\$ -	\$135,247.51
Surface expenses	29,718.47	-	29,718.47
Supervision	2,000.00	-	2,000.00
Mining licenses and fees	12,301.37	-	12,301.37
Transportation	3,565.01	-	3,565.01
Assaying	3,765.30	-	3,765.30
General	1,059.85	-	1,059.85
Consulting engineers fees	16,113.68	300.00	16,413.68
Geophysical survey	14,540.00	1,586.00	16,126.00
Insurance	2,022.51	-	2,022.51
Mine office salaries and expenses	27,243.97	-	27,243.97
Outside exploration	8,870.13	-	8,870.13
Loss on sale of machinery and equipment	36,228.14	-	36,228.14
Workmen's compensation	5,595.20	208.00	5,803.20
	<u>298,271.14</u>	<u>2,094.00</u>	<u>300,365.14</u>
ADMINISTRATIVE			
Transfer agent fees	25,038.52	4,890.26	29,928.78
Office expenses	27,794.10	543.58	28,337.68
Professional fees	17,176.89	4,035.00	21,211.89
Promotional	3,280.66	470.76	3,751.42
Salaries	120,648.49	2,910.00	123,558.49
Office rent	23,693.05	829.50	24,522.55
Business taxes	6,121.10	15.00	6,136.10
Travelling	17,259.65	710.12	17,969.77
Stock listing and registering	5,507.32	150.00	5,657.32
Insurance	3,600.01	-	3,600.01
Annual meeting expense	9,929.78	-	9,929.78
Directors fees and expenses	7,663.37	250.00	7,913.37
General	12,665.92	-	12,665.92
Loss on sale of office equipment	3,361.97	-	3,361.97
Commission on sale of stock	12,590.52	-	12,590.52
	<u>296,331.35</u>	<u>14,804.22</u>	<u>311,135.57</u>
Interest received	15,997.73*	3,454.56*	19,452.29*
Administration charged others	51,600.00*	-	51,600.00*
	<u>228,733.62</u>	<u>11,349.66</u>	<u>240,083.28</u>
TOTAL	<u>\$527,004.76</u>	<u>\$13,443.66</u>	<u>\$540,448.42</u>

* denotes deduction

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE SIX MONTHS ENDED JUNE 30, 1965
(unaudited)

Funds provided		\$ Nil
Funds were used for		
Development and other expenditures (Exhibit B)	\$ 13,443.66	
Advance to non-producing mining companies	60.00	
		<u>13,503.66</u>
WORKING CAPITAL DECREASE		<u>\$13,503.66</u>
Working capital, June 30, 1965	137,779.26	
Working capital, December 31, 1964	<u>151,282.92</u>	
WORKING CAPITAL DECREASE	<u>\$ 13,503.66</u>	

NOTES TO UNAUDITED FINANCIAL STATEMENTS

JUNE 30, 1965

- Note A - The investments in non-producing mines represent shares in and advances to mining companies whose principal assets are properties held for development and which have not reached production. There are no regularly quoted market values for such shares, which in any case, are held by the Company as long-term investments. The shares are stated at cost less \$222,869.68 written off.
- Note B - Mining properties:
Lots, comprising approximately thirteen hundred acres, located in the Township of Dufresnoy, held under two mining concessions. \$ 5,982.01

Nine mining claims held under development licenses in Loveland Township, Ontario 10,000.00
\$15,982.01
- Note C - On February 22, 1962, the Directors granted an option to an employee to purchase 30,000 shares of capital stock of the Company at twenty-two cents a share exercisable on or before February 22, 1967. This option was exercised on July 5, 1965.
- Note D - By agreement dated July 16, 1964, the Company is committed to spend \$10,000.00 over the next five years in exploring the mining properties of Tromac Mines Ltd. Within that period and after fulfilling its commitment, the Company may direct that the assets of Tromac be transferred to a new company, incorporated for the purpose, with the Company to receive stock at the rate of 10¢ a share for all monies expended and the shareholders of Tromac to receive one share for every eight shares of Tromac.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	<p>The above-named persons acting together, may be in a position to effect control.</p> <p>There is no promoter.</p>				
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<p>Share in non-producing mining companies - Tromac Mines Limited, Gubby Mines Limited, Cyprus Mines Limited, Don-X Mines Limited, East MacDonald Mines Limited, New Peninsular Oils Limited and Waite Lake Mines Limited at cost-\$27,659.50 No market. Advances to above-named Companies -</p> <table> <tr> <td>in total -----</td><td>47,887.12</td></tr> <tr> <td>TOTAL -</td><td>\$75,546.62</td></tr> </table>	in total -----	47,887.12	TOTAL -	\$75,546.62
in total -----	47,887.12				
TOTAL -	\$75,546.62				
18. Brief statement of any lawsuits pending or in process against company or its properties.	NIL				
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	<p>The Company has optioned from Tromac Mines Limited by agreement dated the 16th day of July, 1964, the following mining claims in Dufresnoy Township, County of Temiscamingue, Province of Quebec - C 6470, claims 1 and 2; C 6471, claims 1 and 2; C 6473, claims 1, 2, 3 and 4; C 6480, claims 1, 2, 3 and 4; C 6472, claims 1 and 2. The option is for a period of five years and the company undertakes, if it desires, to exercise its option to expend over the five-year period on exploration and development work on the property the sum of \$10,000.00; that at any time prior to the expiry of the five-year period and provided the company has spent the aforesaid sum of \$10,000.00, this company subject to the consent of the shareholders of Tromac Mines Ltd. may incorporate a new company with a capitalization of \$5,000,000.00 to which the said claims will be transferred. Tromac Mines Ltd. shareholders will receive one share in the new company for each eight shares held by them in the old company, and MacDonald Mines Ltd. shall have the right to be recompensated for their expenditures on the property by the issuance to them of free shares in the new company at the rate of 10¢ per share.</p>				
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	<p>There is no other material fact. There are no shares in the Course of primary distribution.</p>				

CERTIFICATE OF THE COMPANY

DATED July 23, 1965

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

MacDONALD MINES LIMITED.

Gilbert Gallen

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

